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FISCAL IMPACT STATEMENT

LS 6763

BILL NUMBER: SB 554

NOTE PREPARED: Jan 24, 2013

BILL AMENDED:

SUBJECT: Telehealth Services Under Medicaid.

FIRST AUTHOR: Sen. Becker

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill defines telehealth services and requires the Office of Medicaid Policy and Planning (OMPP) to reimburse specified providers for telehealth services under the Medicaid program.

Effective Date: July 1, 2013.

Explanation of State Expenditures: The fiscal impact of this bill is indeterminate. The fiscal impact would depend on any rules and policies that may be put in place by the Family and Social Services Administration (FSSA) and any restrictions that may be imposed by the federal Centers for Medicare and Medicaid Services (CMS). It is not known at this time if a demonstration waiver would be necessary to add these services.

Depending on FSSA rules and policies, telehealth technologies could increase access to services in underserved and rural areas, increase treatment compliance and monitoring for patients with chronic conditions, as well as offer the potential to reduce transportation expenses. The bill requires Medicaid to reimburse licensed home health agencies, rural health clinics, and federally qualified health centers for the use of telecommunications and information technology to provide access to health assessment, diagnosis, intervention, consultation, supervision, and information across a distance.

Additional Information: Currently, the Indiana Medicaid program reimburses for telemedicine within defined parameters and billing guidelines that are similar to Medicare requirements for these services. [Medicare has since revised their requirements to include additional locations.] While federally qualified health centers and rural health clinics may already participate, home health agencies are prohibited providers under the Medicaid

telemedicine rule. Indiana Medicaid also provides for certain electronic monitoring services within existing home and community-based waivers and the Social Services Block Grant (SSBG).

California and Texas have applied for demonstration waivers that include provisions for certain telehealth services.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: FSSA.

Local Agencies Affected:

Information Sources: 405 IAC 38 Telemedicine Services; 460 IAC 1.1-3-41; Application for 1915(c) HCBS Waiver: IN.0378.R02.04-Jan 01, 2013; DDRS_Manual_Fall_2012[1].pdf-Adobe Acrobat Standard; NCSL, Telehealth and Rural Health Care Delivery, August 2011.

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